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and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
Debtors.	: (Jointly Administered)
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**NOTICE OF FIFTH SUPPLEMENTAL DECLARATION
OF ALVAREZ & MARSAL NORTH AMERICA, LLC IN
CONNECTION WITH ITS EMPLOYMENT AND RETENTION**

PLEASE TAKE NOTICE that, on September 16, 2009, Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors in possession (together, the "Debtors") filed the attached Fifth Supplemental Declaration of Alvarez and Marsal North America, LLC in compliance with the Order Approving Application Pursuant to Sections 105(a) and 363(b) of the Bankruptcy Code for

Authorization to Employ and Retain Alvarez & Marsal North America, LLC.

Dated: September 16, 2009
New York, New York

/s/ Richard P. Krasnow
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Chapter 11 Case No.
08-13555 (JMP)
(Jointly Administered)

FIFTH SUPPLEMENTAL DECLARATION OF ALVAREZ & MARSAL NORTH AMERICA, LLC IN CONNECTION WITH ITS EMPLOYMENT AND RETENTION

John Suckow makes this declaration under 28 U.S.C. § 1746, and states:

1. I am a Managing Director with Alvarez & Marsal North America, LLC (together with its wholly owned subsidiaries, affiliates (all of which are owned by Alvarez & Marsal North America, LLC's parent company and employees), agents, independent contractors, and employees ("A&M")), a restructuring advisory services firm with numerous offices throughout the world. Unless otherwise stated herein, I have personal knowledge of the facts set forth herein or have been informed of such matters by professionals of A&M. To the extent any information disclosed herein requires amendment or modification upon A&M's completion of further review or as additional party in interest information becomes available to it, a further supplemental declaration reflecting such amended or modified information will be submitted to the Court.

2. A&M has previously submitted declarations dated October 8, 2008 [Docket No. 760]; November 4, 2008 [Docket No. 1366]; November 17, 2008 [Docket No. 1559]; February 6, 2009 [Docket No. 2754]; and May 19, 2009 [Docket No. 3606] (collectively the "Declarations") in support of the October 8, 2008 application (the "Application") of

Lehman Brothers Holdings Inc. (“LBHI”) and its affiliated debtors in the above referenced chapter 11 cases, as debtors in possession (together the “Debtors” and with their non-debtor affiliates “Lehman”), pursuant to sections 105(a) and 363(b) of the Bankruptcy Code for Authorization to Employ and Retain Alvarez & Marsal North America, LLC to Provide the Debtors With a Chief Restructuring Officer and Additional Personnel, and to Appoint the Chief Restructuring Officer *Nunc Pro Tunc* to September 15, 2008. [Docket No. 760].

3. On December 17, 2008, the United States Bankruptcy Court for the Southern District of New York entered an order approving the Application and the Debtors’ employment and retention of A&M. [Docket No. 2278].

4. I am submitting this Fifth Supplemental Declaration to disclose certain additional information that has become available to A&M since the filing of the Declarations.

5. As set forth in the Declarations, and in connection with its proposed retention by the Debtors in these cases, A&M has undertaken an ongoing analysis to determine whether it has any conflicts or other relationships that might cause it not to be disinterested or to hold or represent interests adverse to the Debtors.

6. Specifically, A&M periodically receives from the Debtors, and/or their representatives, a list of the names of individuals and entities that may be parties-in-interest in these chapter 11 cases (the “Potential Parties in Interest”). A&M then provides this list to all of its employees worldwide and conducts a query of such Potential Parties in Interest in a database containing the names of individuals and entities that are represented by A&M.

7. The results of A&M's latest inquiry are listed below (in addition to matters disclosed in prior Declarations).

A&M's Connections with Parties in Interest

a. A&M is currently advising or has previously advised the following Potential Parties-in-Interest or their affiliates as creditors or on various official creditors' committees in which these Potential Parties-in-Interest or their affiliates were members or which represented the interests of these Potential Parties-in-Interest or their affiliates in matters unrelated to the Debtors' Chapter 11 cases:

- Banco Espirito Santo
- New York Life & Annuity Insurance Corp.
- New York Life Insurance Company Inc
- Putnam
- Silver Point Capital LP
- Sunamerica Life Insurance Company
- Swedbank AG, NY Branch

b. A&M and/or its affiliates are currently providing or have previously provided certain consulting services to the following Potential Parties-in-Interest or their affiliates in matters unrelated to the Debtors' chapter 11 cases:

- Encana Corp
- Intel Corporation
- JPI Commercial, LLC

- Principal Financial Services Inc.
 - Silver Point Capital LP
- c. The following Potential Parties-in-Interest or their affiliates are significant equity holders of other clients or former clients of A&M or its affiliates:
- Silver Point Capital LP
 - Putnam
 - Intel Corporation
- d. Putnam or its affiliates is/are a member of various official or unofficial noteholders' committees or groups represented by A&M in matters unrelated to the Debtors' Chapter 11 cases.
- e. Putnam or its affiliates is/are a significant joint venture partner of other clients of A&M or its affiliates in matters unrelated to the Debtors' Chapter 11 cases.

A&M's Connections with Lehman Loan Counterparties

8. A&M personnel currently assist Lehman in managing its corporate loan portfolio. A&M ran a search in its database against the related borrowers (the "Subject Companies"). A summary of A&M's relationships with the Subject Companies identified in this process which have either ended or are unrelated to Lehman's Chapter 11 Cases is set forth on Schedule A hereto.

9. In addition to the relationships with the Subject Companies described above and in prior Declarations, and out of an abundance of caution, A&M has also identified the following representations with respect to companies that are indirectly related to the Debtors (the "Related Representations"):

- a. Building Materials Holding Corporation. A&M has been retained as restructuring advisors to Building Materials Holding Corporation and certain of its affiliates (collectively “BMHC”) as debtors and debtors in possession. Lehman is a participant in BMHC’s term secured loan facility (the “Facility”). Lehman holds approximately \$170,000 in obligations with respect to such facility out of an aggregate outstanding amount of approximately \$270,000,000. A&M will recuse itself from directly assisting or advising Lehman with respect to the negotiation, settlement, remediation or adjudication of any matters, claims or disputes between BMHC and Lehman. No A&M personnel providing services to Lehman shall provide services to BMHC relating to the Facility.
- b. Conseco. A&M has been retained to advise counsel to the steering committee of senior lenders (the “Steering Committee”) to Conseco, Inc. (“Conseco”). Though Lehman is not a member of the Steering Committee, Lehman holds approximately \$3.75 million in obligations in one related loan facility which has an aggregate outstanding amount of approximately \$60 million. The members of the Steering Committee, in the aggregate, control more than fifty percent of Conseco’s senior loan debt.
- c. Cooper Standard. A&M has been retained as restructuring advisor to Cooper Standard Holdings, Inc. and certain of its affiliates as debtors and debtors in possession (collectively “Cooper”). Lehman is a participant in Cooper’s term secured loan facilities (the “Secured Loans”). Lehman’s

participation in the Secured Loans represents less than 0.5% of Cooper's total outstanding secured debt. In addition, Lehman has interests in two classes of Cooper's outstanding bond obligations. Neither such bond interest represents more than 1.5% of the related class. A&M will recuse itself from directly assisting or advising Lehman or Cooper with respect to the negotiation, settlement, remediation and/or adjudication of any matters, claims or disputes between Cooper and Lehman.

- d. Express Energy Service Holdings, Inc.. A&M provides restructuring and financial advisory services to Express Energy Service Holdings, Inc. and certain of its affiliates and subsidiaries (collectively "Express"). Lehman is a participant in an Express revolving senior debt facility (the "Express Facility"). Lehman's interest represents approximately \$1.3 million, which is less than 0.5% of Express' total outstanding senior secured debt. A&M will recuse itself from directly assisting or advising Lehman with respect to the negotiation, settlement, remediation or adjudication of any matters, claims or disputes between Express and Lehman. No A&M personnel providing services to Lehman shall provide services to Express relating to the Express Facility.
- e. Interstate Bakeries Corporation. A&M provided restructuring and interim management services to Interstate Bakeries Corporation and certain affiliates as debtors and debtors in possession (collectively "IBC") until IBC emerged from its bankruptcy proceedings on February 3, 2009. Lehman held less than 1.5% of IBC's pre-petition secured debt and

currently holds a trade claim against IBC of approximately \$3 million.

A&M no longer provides services to IBC.

- f. Kion Group. A&M provides financial advisory services to Kion Group GMBH. and its subsidiaries and affiliates (collectively "Kion"). Lehman is a participant in certain of Kion's loan facilities. Lehman's interest in the Kion loan facilities in which it is a participant account for less than 1% of the total facilities. A&M's advice to Kion does not relate directly to Lehman's interest in such facilities and, in any event, A&M will recuse itself from directly assisting or advising Kion with respect to the negotiation, settlement, remediation or adjudication of any matters, claims or disputes between Kion and Lehman
- g. In A&M's Fourth Supplemental Declaration dated May 19, 2009 (the "Fourth Declaration"), A&M disclosed relationships with entities identified therein as "Company A" and "Company B." As of the date of the Fourth Declaration, A&M was unable to provide the names of Company A and Company B due to confidentiality restrictions. Since such time, both Company A and Company B have filed for bankruptcy protection and A&M has been retained in the respective cases as their restructuring advisor. Company A is Visteon Corporation and certain of its affiliates as debtors and debtors in possession. Company B is Lear Corporation and certain of its affiliates as debtors and debtors in possession.

10. A&M does not believe that any of the additional disclosures described above create conflicts of interest regarding the Debtors or their chapter 11 cases. A&M continues to believe that it is “disinterested” within the meaning of the term as it is used in section 101(14) of title 11 of the United States Code.

I declare under penalty of perjury that, to the best of my knowledge, and after
reasonable inquiry, the foregoing is true and correct.

Dated: September 16, 2009
New York, New York

/s/ John Suckow

John Suckow, Managing Director